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August 28, 1996

Mr. William Caton
Secretary
Federal Communications Commission
Room 222
1919 M Street, N.W.
Washington, D.C. 20554

CC Docket No. 95-155
In The Matter of Toll Free Service Access Codes

Vanity Telephone Numbers in the 888 Exchange
Please Enter Into Official Record

Dear Mr. Caton:

On behalf of the International Trademark Association (INTA), I am writing regarding the assignment of phone numbers in the 888 exchange that correspond to "vanity" phone numbers in the 800 exchange. INTA is a 118 year-old, not-for-profit, worldwide organization representing over 3,100 corporations, law firms, and professional associations in over 115 countries. INTA's membership, which crosses all industry lines and includes both manufacturers and retailers, recognizes the essential role trademarks play in promoting effective commerce, protecting the interests of consumers, and encouraging free and fair competition. As described below, INTA strongly supports granting all holders of 800 vanity numbers a right of first refusal in the equivalent 888 number.

In paragraph 10 of the Report and Order released January 25, 1996, the Commission noted that estimates of the total percentage of 800 numbers that would be declared vanity numbers ranged from 5% to 24%. Since that time, the Commission has closed the window of opportunity to declare an 800 number as a vanity number and potentially subject to the right of first refusal in the 888 exchange. Thus, the Commission now knows that some 375,000 numbers in the 800 exchange have been declared vanity numbers. This represents approximately only 5% of the total 800 numbers in use and 888 numbers available. INTA submits that this figure is sufficiently de minimis such that granting a right of first refusal to all holders of 800 vanity numbers would not significantly contribute to the depletion of the 888 exchange.

Furthermore, whether generic (i.e. common descriptive) terms used as phone numbers should be protected as trademarks, when such terms if used by themselves and not as phone numbers would never qualify for trademark protection, is an unsettled question of law. The Commission is

ill-equipped to determine which vanity numbers would be granted court protection and which would not -- particularly when the courts themselves have reached inconsistent decisions. Compare Dranoff-Perlstein Associates v. Sklar, 967 F.2d 852, 857 (3d Cir. 1992) (holding that telephone numbers which correspond to purely generic terms are not entitled to trademark protection) with Dial-A-Mattress Franchise Corp. v. Page, 880 F.2d 675, 677-78 (2d Cir. 1989) (enjoining the use of 1-800-MATTRESS in light of the plaintiff's MATTRES phone number, despite the generic nature of the term). Accordingly, the simplest, most efficient means of protecting the trademark rights of holders of 800 vanity numbers is to grant a right of first refusal to all.

Merely because one number is in the 800 exchange and the same number in the 888 exchange is not enough to prevent a likelihood of confusion between the corresponding word marks. See, e.g., Dial-A-Mattress, 880 F.2d at 678 (prohibiting use of 1-800-MATTRESS in light of plaintiff's use of MATTRES as a phone number in various other area codes). Thus, in order to minimize the potential consumer confusion that would otherwise certainly result, all holders of 800 vanity numbers that have declared the equivalent 888 number as "unavailable" should be given the first opportunity to claim the 888 number. If that right is not exercised within a reasonable period of time, perhaps twelve months, then the number should return to the pool of generally available numbers.

Granting holders of 800 vanity numbers a right of first refusal in the equivalent 888 number is also necessary because trademark law alone is sometimes inadequate to prevent consumer confusion between different entities holding nearly identical vanity numbers. While advertising a confusingly similar term as a phone number is likely to be enjoined (especially if the term is not generic for the goods or services offered), trademark law has recently fallen short in protecting against unadvertised uses of numbers that correspond to confusingly similar terms or near misspellings of the vanity number.

For example, in Holiday Inns, Inc. v. 800 Reservation, Inc., 86 F.3d 619 (6th Cir. 1996), the defendants held the phone number that corresponded to 800-H(zero)LIDAY, and operated -- though did not advertise -- travel services using this number. Although the lower court found use of the number was "insidious and parasitic" and was both trademark infringement and unfair competition under the Lanham Act, the Sixth Circuit disagreed, holding that because the defendants never "used" Holiday Inns' trademarks nor any facsimile of Holiday Inns' marks, there could be no violation of the Lanham Act. Similarly, in U-Haul International, Inc. v. Kresch, 904 F. Supp. 595 (E.D. Mich. 1995), where the defendant held several phone numbers that corresponded to near misspellings of 800-GO-U-HAUL, the court found that use of such numbers would not be trademark infringement if they were not advertised as word marks.

INTA appreciates the opportunity to participate in this important proceeding. We look forward to continuing to assist the Commission in its efforts to assure an equitable distribution of 888 phone numbers and in other trademark matters as they arise.

Sincerely,

Mary Ann Alford
President

cc: Ms. Regina Keeney
Chief, Common Carrier Bureau